

DATELINE:

# LABOR & WORKFORCE DEVELOPMENT

A quarterly publication for employers from the Tennessee Department of Labor & Workforce Development

June 2003

## Employers welcome Internet reporting option

The Tennessee Premium and Wage Reporting System (TNPAWS) was well received in its initial quarter of operation. Approximately 11,000 Premium and Wage Reports were filed over the Internet for the first quarter of 2003. Thirty percent of the employers using TNPAWS completed our survey after filing their report. More than 96 percent of the survey respondents indicated they would likely use the system again to file the quarterly reports.

Here are a few of the comments received from employers about TNPAWS:

- "Filing took me half the time. Thanks."
- "This is an easy and convenient way to file."
- "This is great. Saves a lot of time, and I am assured that my report got to you."

We would like to thank all employers who completed the survey and made comments or suggestions. We are aware that TNPAWS experienced a slowdown during peak usage, and are working to improve the speed at which it operates. To avoid any slowdown when using TNPAWS, we recommend that you file your report before the due date. We will continue to monitor the surveys and evaluate your suggestions to improve the operation of TNPAWS.

TNPAWS accepts the quarterly Premium and Wage Reports via the Internet and is available for use by all premium-paying employers. TNPAWS was designed for employers with fewer than 100 employees, but is capable of accepting reports with any number of employees. One employer submitted a report with almost 1,400 employees in the first quarter of 2003.

TNPAWS is available for use from 6 A.M. to 10 P.M. Monday through Saturday. Due to the sensitive nature of the data, TNPAWS supports 128-bit encryption of transmitted data. Users should confirm that their browser

meets the minimum requirements listed on the TNPAWS home page before beginning the filing process. We have provided links to two of the most popular browsers should a user need to download a newer version.

Employers must have an Access Code issued by our department before they can file using TNPAWS. All employers eligible to use TNPAWS will have the website address and Access Code printed to the right of line 1 (Total Wages) on their current quarter Premium Report (LB-0456). For security reasons, the Access Code will change every quarter and is only provided on the pre-printed form.

An employer must register a unique User Name and Password when first using TNPAWS. In subsequent quarters, employers will log in to TNPAWS under that User Name. The user must choose between filing a "No Payroll" report or a Premium and Wage Report. The on-screen instructions will help you navigate through the screens to complete the report. TNPAWS calculates Total, Excess, and Taxable Wages before computing the premium due. TNPAWS will allow a user to override the excess wage calculation, if needed.

All wage data transmitted by TNPAWS will be saved on our database server for use in future quarters. When you return to file a report in subsequent quarters, the wage data that you have transmitted will be displayed. Employees can be added or deleted to complete the current quarterly report.

TNPAWS now has the ability to sort the wage data by social security number or alphabetically by last name. TNPAWS will also allow a user to save any data entered, and complete the report at a later time.

*(Continued on back)*

### Routing Box

- ☐ Personnel Director
- ☐ Manager
- ☐ Payroll Officer
- ☐ Other

## Watch for annual premium rate notices

Later this summer - by about the last week in August - the department will mail out annual rate notices to all premium-paying employers. The notice will display your premium rate effective July 1, 2003, and will also provide you with a record of your account's experience through December 31, 2002. It is a good idea to hold on to your rate notice for future reference because there is a \$25 charge for preparing and mailing a duplicate notice.

When you receive your rate notice, be sure to verify the amounts shown for premiums paid, benefits charged, and average taxable payroll. These are the factors that determine your **reserve ratio**, which also appears on the notice and which, together with the premium table in effect, determines your rate. If you think your notice includes any errors or miscalculations, you can request a **redetermination** of your rate. When requesting a redetermination, be sure to tell us what specific item(s) you think might be in error. By law, any redetermination request must be in writing and must be received within 30 days of the mailing of the rate notice. Requests should be sent to:

**Employer Services Rates Unit  
Tennessee Department of Labor &  
Workforce Development  
500 James Robertson Parkway - 8th Floor  
Nashville, TN 37245-3555**



## TNPAWS (cont.)

Confirmation numbers are assigned to each electronically submitted report to notify the user that the information has been successfully transmitted to our Department. Users are prompted to print a copy of the report for their records. If premiums are due on the report, a payment coupon will also be displayed for printing.

Remittance may be made by returning the payment coupon with your check, or by Automated Clearinghouse (ACH) Credit. If paying by check, be certain to enclose the payment coupon. Failure to include the payment coupon may result in your account not being properly credited. Use of the ACH Credit payment method eliminates the need to incur postal charges. Please follow the link on the TNPAWS home page to obtain additional information about the ACH Credit payment method.

We encourage all eligible employers to use TNPAWS to file their quarterly Premium and Wage Report and to file before the due date. For more information, please visit the TNPAWS homepage at <http://tnpaws.tnui.net>.

## Why have a licensed EAP professional?

In the workforce, 20 percent of the employees have personal problems that affect their job. According to the National Institute of Mental Health, 30 percent of all absenteeism and 66 percent of all terminations are related to employees' personal problems. Troubled employees are 25 percent less productive than the average worker.

The Mental Health Association estimates that 10 percent to 15 percent of employees have severe personal problems. If 5 percent of your employees used an EAP, the potential monetary savings would be 3.45 percent of the payroll for reduced absenteeism and improved productivity from troubled employees.

The average per-employee cost of absenteeism climbed to an all-time high of \$789 per year in 2002 and reflects a price tag of as much as \$60,000 a year for small companies, while the largest employers ante up more than \$3.6 million. Reasons other

than illness accounted for 67 percent of unscheduled absences. Specifically, these reasons were family issues, 24 percent; personal needs, 21 percent; stress, 12 percent; and entitlement, 10 percent.

### Licensure

Is licensure required in Tennessee?

Yes, any individual who resides in Tennessee or is employed by a service operating in Tennessee must obtain a Tennessee license to practice employee assistance services unless he/she is otherwise exempt.

Before a license is granted, all applicants are required to submit an application, appropriate fees, proof of education, a supervised internship, and liability insurance. During the renewal process, licensees are required to submit an application, renewal fee, proof of continuing education, and current liability insurance.

Failure to obtain a license is a violation of the law.

For licensing information, please visit our website at [www.tn.gov/labor-wfd/eap](http://www.tn.gov/labor-wfd/eap) or give us a call at (615)741-2859.

## Taxable Wage Base reminder

In Tennessee, the unemployment insurance taxable wage base is \$7,000. While you report the total wages paid to each employee each quarter, **you only pay premiums on the first \$7,000 you pay to each employee during the calendar year.**

"Excess Wages" represents the amount of quarterly wages paid to each of your employees in excess of \$7,000 for the calendar year. The amount of Excess Wages paid during the quarter is entered on line 2 of the Premium Report (LB-0456) and is deducted from Total Wages (line 1) to arrive at Net Taxable Wages. Remember, Excess Wages can never be more than the amount of Total Wages. A calculation example is included in the instructions on the back of your premium report.

If you discover that you failed to correctly deduct Excess Wages on a prior quarter's report, please do not attempt to make any adjustment on your current quarter's report. Taxable wage corrections should be made on a Claim for Adjustment or Refund Form (LB-0459), which is available from your Area Employer Accounts

Office or from our Employer Accounting Unit at 615-741-1619. You can also download the form on our website at [www.tn.gov/labor-wfd/esdiv](http://www.tn.gov/labor-wfd/esdiv) by selecting Employer Services and clicking on Useful Forms.

## Alien backlog continues

The Tennessee Department of Labor and Workforce Development's Alien Labor Certification Unit is currently experiencing delays with processing Applications for Alien Labor Certification. This delay is due to the 245(i) Legal Immigrant Family Equity (LIFE) Act that went into affect on December 21, 2000.

Presently we are processing permanent applications that were received during April 2001. However, reduction-in-recruitment (RIR) cases are being worked at a faster rate. We are currently processing applications received in January 2003. We work applications in a specific order as specified by the United States Department of Labor (USDOL). The order of review for these cases would be temporaries first, then reduction-in-recruitment, and finally permanent applications.

If you have a permanent application that has a priority date of April 30, 2001, through August 2, 2001, and no job order has been written for it, you may want to convert that case to an RIR. For RIR conversion or regular RIR case instructions you may call the Alien Labor Unit at 615-741-3780.

USDOL has developed a web site that provides all types of information regarding alien labor services. It also provides the processing dates for each state. The URL address for this site is <http://workforcesecurity.doleta.gov/foreign.asp>. These processing dates are updated on a monthly basis.

Should you have questions regarding Applications for Alien Labor Certification you may contact Robin Wright, Alien Labor Coordinator at 615-741-3780.

### Dateline: Labor & Workforce Development



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Phil Bredesen  
Governor

James G. Neeley  
Commissioner

Milissa Reiersen  
Communications Officer

Martha Deacon  
Editor